

Hazard Mitigation Assistance Program and Policy Guide: 2023 Updates to Management Cost Guidance

This fact sheet highlights changes to the Hazard Mitigation Grant Program and Hazard Mitigation Grant Program Post Fire management costs policies in the 2023 Hazard Mitigation Assistance Program and Policy Guide (HMA Guide). The HMA Guide incorporates [FEMA Policy #104-11-1](#), Hazard Mitigation Grant Program Management Costs (Interim) and makes additional updates to management costs policies for these two programs. The HMA Guide applies to major disaster declarations and Fire Management Assistance Grant declarations issued on or after March 23, 2023.

These fact sheets summarize specific policy changes in the 2023 HMA Guide. For complete policy details, read all relevant sections of the 2023 [HMA Guide](#).

Overview

The HMA Guide makes the following clarifications and updates for the Hazard Mitigation Grant Program and Hazard Mitigation Grant Program Post Fire management costs:

- When calculating management costs, FEMA clarified that the “total amount of the HMGP award” means the total amount of contributions based on applications submitted when the HMGP application period closes or when the total Hazard Mitigation Grant Program ceiling (or available assistance amount for HMGP Post Fire) is determined, whichever is later. In cases where the recipient submits subapplications in excess of the ceiling, FEMA will only calculate management costs on subapplication amounts up to the final ceiling amount.
- FEMA also simplified information regarding when a subrecipient or recipient can claim management costs to align with the revisions to [Title 2 Code of Federal Regulations Part 200](#). There is no longer an eight-year period of



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Page 1 of 2

availability in which management costs must be claimed. Instead, the HMA Guide clarifies that management costs must be incurred within the subaward or award period of performance. For more information, see Part 13 of the HMA Guide.

- FEMA has removed the restriction that management costs may only be awarded in conjunction with a project or planning award or subaward. All project types are now eligible to receive management costs.
- FEMA clarified that Hazard Mitigation Grant Program and Hazard Mitigation Grant Program Post Fire recipients cannot receive an additional 5% for management costs if they are also acting as a subrecipient.
- FEMA removed the provision from the interim policy requiring FEMA to develop an agreement with the recipient to outline the release of funding for management cost awards over \$6 million. FEMA instead incorporated information about incremental funding and Strategic Funds Management thresholds.



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Page 2 of 2